

**MEMORANDUM FOR: Deputy Director (Support)**

**SUBJECT : Overseas Employees Health and Medical Services Act**

1. On a recent inquiry to the Bureau of the Budget on H. R. 6141, copy attached, this office was advised by the Bureau of the Budget that the Administration is giving its support to this bill in the same manner as in H. R. 3527, the Fringe Benefits Act which we discussed the other day. This bill has cleared the Budget and will be referred back to the House Committee on Post Office and Civil Service. The Bureau has not requested specific comment from the Agency on this bill, however, I felt it advisable to develop an Agency position on the bill inasmuch as it may be acted upon in this session of the Congress.

2. At a meeting today this bill was reviewed in detail with the various interested offices. Individuals present were:

STAT Personnel, [redacted] Comptroller,

STAT [redacted] Medical, John Tietjen, [redacted] and

STAT [redacted] DD/P, [redacted]

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Security, [redacted] Legislative Counsel, John Warner  
and [redacted] who had planned to attend the  
meeting representing SSA DD/S was unavoidably detained at  
the last minute and could not attend. The group reached the  
unanimous conclusion that this too was a good bill in that it  
would expand the scope of the existing overseas medical benefits  
for employees and would provide statutory authority and  
liberalized benefits for dependents. A summary analysis was  
prepared by this office in draft form and was used as a basis  
for our discussions. A copy of this analysis is attached.

3. This bill would grant statutory authority for the provision  
of medical benefits to employees and their dependents in overseas  
areas including the trust territories of the Pacific Islands. It  
specifically includes maternity, obstetrical, prenatal, postnatal,  
dental and other medical services for which we do not now have  
authority and authorizes the provision of these benefits on an  
out-patient as well as an in-patient basis. These benefits would  
be provided without cost to employees and to dependents at  
rates prescribed by regulations issued by the President. The bill  
will also include authority for providing medical benefits on an  
out-patient as well as in-patient basis in the United States for

and maintenance of these programs. The membership of the board will consist of government employees appointed by the President or the administering authority.

7. Since this program may pose some problems to the Agency of an administrative nature in the billing procedures involved and because this group unanimously felt that this Agency represented a substantial proportion of the employee and dependent coverage provided in this bill it was a unanimous recommendation of this group that the Agency make its interest known and notify appropriate offices of our desire to be represented on this board. A proposed letter to the Bureau of the Budget, for the Director's signature, is attached.

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OGC/LC [redacted] jac (6 March 1958)